

**Assembly Bill No. 978**

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Passed the Assembly     September 8, 2003

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*Chief Clerk of the Assembly*

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Passed the Senate     September 4, 2003

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day of  
\_\_\_\_\_, 2003, at \_\_\_\_\_ o'clock \_\_M.

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*Private Secretary of the Governor*

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## CHAPTER \_\_\_\_\_

An act to amend Section 710.8 of the Unemployment Insurance Code, relating to the California State University, and making an appropriation therefor.

## LEGISLATIVE COUNSEL'S DIGEST

AB 978, Negrete McLeod. California State University: disability benefits.

Existing law establishes the California State University and its various campuses under the administration of the Trustees of the California State University. Existing law authorizes the trustees to elect to become employers whose employees are eligible for payment of disability benefits from the continuously appropriated Unemployment Compensation Disability Fund, provided that the election is the result of a negotiated agreement between the trustees and a recognized employee organization.

This bill would require, rather than authorize, the trustees to elect to become employers whose employees are eligible for payment of disability benefits from the Unemployment Compensation Disability Fund. The bill would also provide that this eligibility for disability benefits could occur as a result of an election held by a recognized employee organization in accordance with a designated procedure as well as through a negotiated agreement.

By increasing the pool of potential recipients from, and potential contributors into, a continuously appropriated fund, this bill would make an appropriation.

Appropriation: yes.

*The people of the State of California do enact as follows:*

SECTION 1. Section 710.8 of the Unemployment Insurance Code is amended to read:

710.8. (a) (1) The Trustees of the California State University, as defined as an employer in Section 3562 of the Government Code, shall elect to become an employer subject to Part 2 (commencing with Section 2601) with respect to all employees who are part of an appropriate unit established pursuant



to Chapter 12 (commencing with Section 3560) of Division 4 of Title 1 of the Government Code, provided the election is the result of a negotiated agreement between the Trustees of the California State University and a recognized employee organization of the university, as those terms are defined in Section 3562 of the Government Code, or is approved through an election held by a recognized employee organization of the university in accordance with the election procedures set forth in subdivision (d) of this section.

(2) The Trustees of the California State University may also elect to provide coverage to its management and confidential employees and to its employees who are not a part of an appropriate unit, provided that the election is not contingent upon coverage of other employees of the Trustees of the California State University.

(b) Upon filing of the election, the filing entity shall, upon approval by the director, become an employer subject to Part 2 (commencing with Section 2601) to the same extent as other employers, and services performed by its employees, including those with civil service or tenure positions, who are subject to an election under this section shall constitute employment subject to that part.

(c) Sections 986 and 2903 apply to an employer making an election pursuant to this section.

(d) (1) Upon an affirmative vote of the governing body of the employee organization, that governing body shall order that an election shall be conducted by secret ballot, placing on the ballot the question of whether the employees of that appropriate bargaining unit do or do not desire that the Trustees of the California State University shall become the employer of the employees of that appropriate bargaining unit for the purposes of being subject to Part 2 (commencing with Section 2601).

(2) The recognized employee organization of the California State University shall certify the results of the election on the basis of which ballot choice receives a majority of the valid votes cast. There shall be printed on the ballot two choices, one which specifies the desire to be covered by state disability insurance and one which specifies the desire to continue to be covered by nonindustrial disability insurance.



(3) The ballot shall present the questions in a manner that stipulates that, if the election determination is in favor of the employees' desire to be covered by state disability insurance, this determination is intended to supplant the nonindustrial disability insurance program provided for in Article 1.2 (commencing with Section 89529.15) of Chapter 5 of Part 55 of the Education Code, after two calendar quarters have elapsed following the effective date of the state disability insurance coverage.

SEC. 2. It is the intent of the Legislature that any and all startup costs incurred by the Controller's office in implementing Section 710.8 of the Unemployment Insurance Code, as amended by Section 1 of this act, should be paid from any savings realized by the General Fund as a result of the implementation of this act.



Approved \_\_\_\_\_, 2003

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*Governor*

